

Cooperative-Based Empowerment of Women in Timor-Leste: A Conceptual Model

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Article Info	ABSTRACT
Article history: <i>Received 01/07/2026</i> <i>Revised 03/08/2026</i> <i>Accepted 06/08/2026</i> Keyword: <i>cooperative; economic empowerment; gender; Timor-Leste; women</i>	Women's economic participation in rural Timor-Leste remains constrained by unequal access to productive resources, limited institutional support, and persistent socio-cultural norms, despite the potential of cooperatives to address these barriers. Existing literature discusses gender equality, entrepreneurship, and cooperative development largely in isolation, leaving a theoretical gap in explaining how cooperative participation translates into women's economic empowerment in Timor-Leste's four municipalities: Dili, Baucau, Maliana, and RAEOA. This conceptual paper synthesizes gender and economic empowerment theory with cooperative institutional theory to propose a model in which cooperative participation comprising governance involvement, resource access, and collective bargaining mediates the relationship between structural antecedents (resource access, institutional support, socio-cultural norms) and empowerment outcomes (income, decision-making capacity, social welfare), moderated by regional context. The model offers a theoretical foundation for future empirical validation and practical guidance for cooperative institutions, policymakers, and development agencies.
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Kata Kunci: gender; koperasi; pemberdayaan ekonomi; perempuan; Timor-Leste Corresponding Author: hindahmustika@stiesia.ac.id	Partisipasi ekonomi perempuan di pedesaan Timor-Leste masih terkendala oleh akses yang tidak setara terhadap sumber daya produktif, dukungan institusional yang terbatas, dan norma sosial-budaya yang bertahan, meskipun koperasi berpotensi mengatasi hambatan-hambatan tersebut. Literatur yang ada umumnya membahas kesetaraan gender, kewirausahaan, dan pengembangan koperasi secara terpisah, sehingga menyisakan kesenjangan teoretis dalam menjelaskan bagaimana partisipasi koperasi berkontribusi pada pemberdayaan ekonomi perempuan di empat munisipalitas Timor-Leste: Dili, Baucau, Maliana, dan RAEOA. Makalah konseptual ini mensintesis teori pemberdayaan ekonomi dan gender dengan teori institusional koperasi untuk mengusulkan sebuah model di mana partisipasi koperasi—mencakup keterlibatan tata kelola, akses sumber daya, dan daya tawar kolektif, memediasi hubungan antara kondisi anteseden struktural (akses sumber daya, dukungan institusional, norma sosial-budaya) dan hasil pemberdayaan (pendapatan, kapasitas pengambilan keputusan, kesejahteraan sosial), yang dimoderasi oleh konteks regional. Model ini memberikan landasan teoretis untuk validasi empiris di masa depan serta panduan praktis bagi lembaga koperasi, pembuat kebijakan, dan lembaga pembangunan.

1. Introduction

Women play a crucial role in economic development by contributing to household welfare, community resilience, and local economic growth. In many developing countries, women actively engage in agriculture, micro and small enterprises, handicraft production, and other livelihood activities that support family income and strengthen local economies. However, women's economic contributions do not always translate into equal access to resources, decision-making authority, or economic autonomy. Persistent structural constraints, including limited access to finance, productive assets, education, market opportunities, and institutional support, continue to restrict women's ability to fully participate in economic development processes. Previous studies have demonstrated that women entrepreneurs and workers frequently experience institutional, economic, and socio-cultural barriers that limit their entrepreneurial capabilities and economic advancement (Balkmar, Lindvert, & Ljunggren, 2024; Giazitzoglu & Down, 2017; Henry, Foss, & Ahl, 2016). Furthermore, gender norms embedded within social and institutional structures continue to influence women's participation in economic activities and their access to leadership positions (Callerstig et al., 2024; Marlow & McAdam, 2013).

From a gender and development perspective, women's economic empowerment extends beyond income generation and involves the ability to access resources, exercise agency, participate in decision-making, and achieve greater control over economic outcomes. Kabeer's empowerment framework highlights that empowerment occurs through the interaction between resources, agency, and achievements, suggesting that economic opportunities alone are insufficient unless women are able to exercise meaningful control over available resources and decisions. Therefore, understanding the institutional mechanisms that strengthen women's access to resources and enhance their economic agency is essential for promoting inclusive development.

Timor-Leste provides an important context for examining women's economic empowerment due to its ongoing socio-economic transformation following independence. Although the country has achieved progress in development indicators, gender inequality remains a significant challenge, particularly in rural communities where women often experience limited participation in economic decision-making processes. Women are actively involved in agriculture, household enterprises, handicrafts, woven textile production, and traditional food processing; however, their participation frequently remains concentrated in informal and low-value economic activities. Limited access to financial services, productive resources, business networks, and institutional support continues to constrain their ability to expand economic opportunities and strengthen their bargaining position.

These challenges are particularly relevant across diverse municipalities such as Dili, Baucau, Maliana, and the Special Administrative Region of Oecusse-Ambeno (RAEOA), where women participate in different forms of local economic activities. While Dili represents the country's main urban economic centre, Baucau, Maliana, and RAEOA reflect predominantly rural economic contexts where agriculture, traditional production, and community-based enterprises remain important sources of livelihood. These different socio-economic environments provide a valuable setting for examining how institutional arrangements can facilitate women's economic participation and empowerment.

One institutional mechanism that has considerable potential to address these challenges is the cooperative. Cooperatives represent member-based organisations built upon principles of democratic participation, collective ownership, mutual assistance, and shared economic responsibility. Unlike individual economic activities, cooperatives enable members to overcome resource limitations through collective action, shared knowledge, market networks, and stronger bargaining capacity. The cooperative model therefore provides not only economic benefits but also opportunities for developing women's agency through participation in organisational governance and collective decision-making.

The International Cooperative Alliance identifies democratic governance, member participation, education, cooperation among cooperatives, and concern for community as fundamental cooperative principles. These characteristics position cooperatives as potential instruments for inclusive economic development, particularly among groups that experience limited access to conventional economic institutions. Through cooperative participation, women may gain improved access to financial resources, production facilities, training, market opportunities, and social networks that contribute to greater economic independence.

Previous studies have shown that cooperatives contribute to poverty reduction, employment creation, food security, and inclusive economic growth. Agricultural cooperatives, for example, enable producers to improve productivity, reduce transaction costs, strengthen market access, and increase income through collective action (Helmberger & Hoos, 1962; Ortmann & King, 2007; Xaba, Marwa, & Mathur-Helm, 2018). From an institutional perspective, cooperative effectiveness depends on democratic governance, appropriate incentive structures, collective ownership, and member participation (Chaddad & Cook, 2004; Sykuta & Cook, 2001). However, while existing research highlights the economic benefits of cooperatives, less attention has been given to the processes through which cooperative participation transforms women's

access to resources into broader forms of empowerment, including decision-making power, economic agency, and social inclusion.

The existing literature generally examines women's empowerment, entrepreneurship development, and cooperative performance as separate areas of study. Research on women's empowerment often focuses on individual capabilities and socio-economic outcomes, whereas cooperative studies tend to emphasise organisational sustainability, productivity, and economic efficiency. Consequently, limited theoretical attention has been given to understanding the institutional pathways linking cooperative participation with women's economic empowerment, particularly in developing and post-conflict contexts such as Timor-Leste. Moreover, comparative conceptual perspectives involving different socio-economic settings, including Dili, Baucau, Maliana, and RAEOA, remain limited.

Therefore, this conceptual paper aims to develop an integrated framework explaining how cooperative participation contributes to women's economic empowerment in Timor-Leste. Drawing upon gender empowerment theory and cooperative economics perspectives, this paper seeks to achieve three objectives: (1) to identify the dimensions of cooperative participation that influence women's economic empowerment; (2) to examine the structural and institutional factors that facilitate or constrain women's involvement in cooperative-based economic activities; and (3) to propose a conceptual model explaining the mechanisms through which cooperative participation enhances women's resources, agency, and economic achievements.

The proposed framework contributes to the literature by positioning cooperatives not merely as economic organisations but as institutional mechanisms that can strengthen women's capabilities and agency. The framework also provides practical implications for policymakers, cooperative organisations, and development agencies seeking to design gender-responsive strategies that promote inclusive and sustainable rural economic development in Timor-Leste.

2. Methodology

This paper adopts a conceptual framework development approach, which is appropriate for constructing theoretical explanations through the integration and critical synthesis of existing knowledge rather than through primary data collection. Conceptual research in the social sciences aims to clarify relationships among key concepts, identify theoretical gaps, and develop explanatory models that provide directions for future empirical investigation (Chaddad & Cook, 2004; Sykuta & Cook, 2001).

The conceptual development process was conducted through an integrative review of three interconnected streams of literature. The first stream focuses on gender and women's economic empowerment theories, particularly perspectives explaining how access to resources, individual agency, institutional structures, and socio-cultural norms influence women's economic participation and outcomes. The second stream examines cooperative theory and institutional economic perspectives, including cooperative governance, collective ownership, democratic participation, and the role of cooperatives as mechanisms for improving economic inclusion. The third stream incorporates regional development literature related to Timor-Leste and comparable developing and post-conflict agrarian contexts to ensure contextual relevance.

The literature synthesis was conducted by identifying recurring theoretical concepts, relationships, and explanatory mechanisms across these three areas of scholarship. Rather than treating women's empowerment and cooperative development as separate fields, this paper integrates them to examine how cooperative participation may function as an institutional pathway through which women gain improved access to economic resources, decision-making opportunities, and collective bargaining capacity.

Based on the integrated literature analysis, the proposed conceptual framework consists of three main components. The first component represents contextual conditions influencing women's economic participation, including access to productive resources, institutional support, and socio-cultural constraints. The second component represents cooperative participation as an explanatory mechanism, encompassing dimensions such as involvement in cooperative governance, access to shared resources, capacity development, and collective market engagement. The third component represents women's economic empowerment outcomes, reflected through enhanced income opportunities, economic decision-making capacity, autonomy, and broader social welfare improvements.

The proposed relationships among these components are derived from theoretical reasoning and previous empirical findings rather than from statistical testing. Therefore, the framework should be understood as a conceptual proposition intended to explain potential pathways between cooperative participation and women's economic empowerment and to provide a foundation for future empirical validation. To enhance contextual relevance, secondary information from institutional reports and previous studies on Timor-Leste was incorporated to understand the socio-economic characteristics of Dili, Baucau, Maliana, and RAE OA. These contextual considerations allow the proposed framework to reflect the realities of women's economic

participation within different regional settings of Timor-Leste while maintaining broader theoretical applicability.

3. Result and Discussion

3.1 Proposed Conceptual Model

Building upon the theoretical synthesis presented in the previous sections, this paper proposes a conceptual framework explaining the mechanisms through which cooperative participation contributes to women's economic empowerment in rural Timor-Leste. Rather than assuming a direct causal relationship, the framework conceptualizes cooperative participation as an institutional pathway that transforms available resources and social conditions into greater economic agency and empowerment outcomes. The model consists of three interconnected elements: enabling conditions, cooperative participation mechanisms, and empowerment outcomes, while recognising the influence of contextual differences across municipalities.

Enabling conditions

The first component of the framework consists of structural and institutional conditions that shape women's ability to participate effectively in cooperative-based economic activities. Three key conditions are identified: (1) access to productive resources, including financial capital, land, technology, skills, and market information; (2) institutional support, including government policies, NGO assistance, cooperative infrastructure, and capacity-building programmes; and (3) socio-cultural conditions, particularly gender norms that influence women's mobility, household bargaining position, and participation in collective economic organisations.

These conditions reflect the broader understanding that women's economic empowerment is not determined solely by individual capability but is shaped by institutional arrangements and social structures. Without adequate access to resources and supportive environments, women's participation in cooperatives may remain limited to membership without generating meaningful empowerment outcomes.

Cooperative participation mechanism

The central component of the framework is cooperative participation, conceptualised as an institutional mechanism through which women transform available resources into greater economic agency. Cooperative participation consists of three interconnected dimensions: (1) governance involvement, referring to women's participation in decision-making processes, leadership roles, and organisational management; (2) resource access, referring to the cooperative's capacity to provide financial services, training, production support, and market connections; and (3) collective bargaining, referring to the

ability of members to strengthen their negotiating position through collective action.

Drawing upon cooperative institutional theory, democratic participation and collective ownership are considered important mechanisms that enable members, particularly women, to overcome individual economic constraints. Importantly, the framework argues that empowerment is more likely to occur when women move beyond passive participation as beneficiaries and become active participants in cooperative governance and collective decision-making.

Women's economic empowerment outcomes

The final component of the framework concerns women's economic empowerment outcomes. Consistent with the gender empowerment perspective, particularly Kabeer's framework of resources, agency, and achievements, empowerment is conceptualised as a multidimensional process. Cooperative participation is expected to enhance women's access to resources, strengthen their economic agency, and contribute to improved achievements. These outcomes include increased income opportunities, greater participation in household and community decision-making, improved economic autonomy, and enhanced livelihood security. The framework also recognises that empowerment outcomes may reinforce future participation by strengthening women's confidence, bargaining capacity, and ability to engage in economic institutions.

Contextual contingency

The framework further acknowledges that the relationship between cooperative participation and empowerment outcomes is influenced by contextual conditions. Differences among Dili, Baucau, Maliana, and RAEOA in terms of economic structure, institutional capacity, market accessibility, and socio-cultural characteristics may shape how cooperative mechanisms operate. Therefore, regional context is positioned as a contextual contingency that influences the effectiveness and applicability of cooperative-based empowerment strategies rather than as a directly measurable moderating variable.

3.2 Discussion

The proposed framework provides several theoretical contributions. First, it integrates gender empowerment theory and cooperative institutional theory to explain how collective economic organisations can function as mechanisms for strengthening women's economic agency. Previous studies have often examined women's empowerment and cooperative development as separate research areas. By connecting these perspectives, this framework highlights the institutional processes through which cooperative participation

may transform access to resources into meaningful empowerment outcomes. Second, the framework extends cooperative literature by emphasising that women's empowerment depends not only on cooperative membership or economic benefits but also on active involvement in governance and decision-making. This perspective challenges the view that participation alone automatically produces empowerment and instead highlights the importance of women's agency within cooperative institutions. Third, by incorporating contextual contingency, the framework acknowledges that empowerment processes are shaped by local socio-economic realities. The differences among Dili, Baucau, Maliana, and RAEOA suggest that cooperative interventions cannot be implemented through a uniform approach. Strategies need to consider variations in market conditions, institutional support, cultural expectations, and women's existing economic roles.

The framework also provides practical implications. Cooperative organisations should strengthen women's leadership opportunities and ensure meaningful participation in governance structures rather than limiting women's roles to membership or production activities. Policymakers and development organisations should combine economic interventions with efforts to address institutional and socio-cultural barriers that influence women's ability to participate fully in economic decision-making.

As a conceptual contribution, this framework requires future empirical validation. Subsequent studies may examine the proposed relationships through mixed-method approaches, including surveys of women cooperative members, interviews with cooperative leaders, and comparative case studies across different municipalities in Timor-Leste. Such empirical investigations can evaluate the applicability of the framework and further refine understanding of how cooperatives contribute to women's economic empowerment in developing contexts.

4. Conclusion

This paper proposes a conceptual framework explaining how cooperatives may contribute to women's economic empowerment in rural Timor-Leste. By integrating gender empowerment theory and cooperative institutional perspectives, the framework highlights cooperative participation, particularly through governance involvement, resource access, and collective bargaining, as an institutional pathway that may strengthen women's economic agency and improve empowerment outcomes. The main contribution of this paper lies in bridging women's economic empowerment literature and cooperative theory within the context of Timor-Leste, where the role of

cooperatives in supporting women's economic advancement remains underexplored.

The proposed framework provides a theoretical foundation for understanding how cooperative institutions can support women's access to resources, participation in decision-making, and economic opportunities. However, as a conceptual contribution, the framework requires further empirical validation. Future research may examine the proposed relationships through quantitative and qualitative approaches across different municipalities in Timor-Leste to better understand how institutional conditions and socio-cultural contexts influence the effectiveness of cooperatives in promoting women's economic empowerment.

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